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GLORIOUS SUN ENTERPRISES LIMITED
旭日企業有限公司

(Incorporated in Bermuda with limited liability)
(Stock Code: 393)

CONNECTED TRANSACTION
IN RELATION TO THE PROVISION OF CONSULTING SERVICES

CONNECTED TRANSACTION IN RELATION TO THE PROVISION OF CONSULTING SERVICES

The Board is pleased to announce that on 12 August 2024, Smart Empire, an indirect wholly-owned subsidiary of the Company, entered into a Consulting Service Agreement with Glory Star, pursuant to which Smart Empire has agreed to provide certain consulting services to Glory Star in relation to financial investments at a consideration of HK$6,000,000.

LISTING RULES IMPLICATIONS

As at the date of this announcement, Glory Star is a company owned as to 51% by Dr. Charles Yeung and 34% by Mr. Yeung Chun Fan. As each of Dr. Charles Yeung and Mr. Yeung Chun Fan is Director and substantial shareholder of the Company, Glory Star constitutes a connected person of the Company under Chapter 14A of the Listing Rules. Therefore, the entering into of the Consulting Service Agreement constitutes a connected transaction of the Company.

As the applicable percentage ratios in respect of the Consulting Service Agreement (whether on a stand-alone basis or in aggregate with the 2023 Consulting Service Agreement) exceed 0.1% but are less than 5%, the entering into of the Consulting Service Agreement and the transactions contemplated thereunder are only subject to the reporting and announcement requirements, but are exempt from the circular (including independent financial advice) and shareholders' approval requirements under Chapter 14A of the Listing Rules.

THE CONSULTING SERVICE AGREEMENT

On 12 August 2024, Smart Empire, an indirect wholly-owned subsidiary of the Company, entered into a Consulting Service Agreement with Glory Star, pursuant to which Smart Empire has agreed to provide certain consulting services to Glory Star in relation to financial investments at a consideration of HK$6,000,000.

The principal terms of the Consulting Service Agreement are set out below:-

Date of agreement	12 August 2024
Parties	(i) Smart Empire, as consulting service provider (ii) Glory Star, as client
Term	12 August 2024 to 31 December 2024 (the "**Termination Date**"), which may be pre-determined by either party upon service of a written notice on the other party not less than 14 days in advance
Scope of services to be provided by Smart Empire	The provision of six research reports (the "**Reports**", each a "**Report**") written in Chinese on various topics including analysis on artificial intelligence industry and commercial property industry; banking industry and insurance industry in China in accordance with the Consulting Service Agreement, as well as necessary and ancillary services connected thereto including pre-meetings with Glory Star before report preparation, one interim report for each Report on the progress of report preparation and one round of modification for each Report after the delivery of each Report upon request
Consulting fees	A separate fee in different amount is payable for each Report as detailed in the Consulting Service Agreement, totalling HK$6,000,000 for all six Reports
Payment	Smart Empire shall send an invoice to Glory Star at the same time as a Report is being provided, on or before the Termination Date. The invoice is due and payable by Glory Star within 30 days of receipt

REASONS FOR AND BENEFITS OF ENTERING INTO THE CONSULTING SERVICE AGREEMENT AND THE TRANSACTIONS

The principal activity of the Company is investment holding. The Group is principally engaged in (a) financial investments; (b) interior decoration and renovation; and (c) export and retailing of casual wear apparel. Smart Empire is an indirect wholly-owned subsidiary of the Company and is principally engaged in the provision of financial consulting services. The Board considers that the provision of consulting services by Smart Empire to Glory Star is in the usual and ordinary course of business of the Group and is expected to generate reasonable income for the Group.

The terms of the Consulting Service Agreement and the transactions contemplated thereunder, including the amount of consulting fees chargeable, were determined after arm's length negotiations by Smart Empire and Glory Star with reference to the prevailing market conditions for comparable consulting services. In particular, when determining the level of consulting fees chargeable, the estimated manpower and resources to be involved in the preparation for each Report and the standard hourly rates charged by the relevant research analysts responsible for the project were taken into account.

The Board (including the independent non-executive Directors) considers that the Consulting Service Agreement was entered into in the ordinary and usual course of business of the Group, and the terms of the Consulting Service Agreement and the transactions contemplated thereunder are on normal commercial terms and not more favourable as compared to those to be offered to independent third parties, are fair and reasonable and in the interests of the Company and the Company's shareholders as a whole.

LISTING RULES IMPLICATIONS

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As the applicable percentage ratios in respect of the Consulting Service Agreement (whether on a stand-alone basis or in aggregate with the 2023 Consulting Service Agreement) exceed 0.1% but are less than 5%, the entering into of the Consulting Service Agreement and the transactions contemplated thereunder are only subject to the reporting and announcement requirements, but are exempt from the circular (including independent financial advice) and shareholders' approval requirements under Chapter 14A of the Listing Rules.

INFORMATION ON THE PARTIES

Smart Empire is an indirect wholly-owned subsidiary of the Company and is principally engaged in the provision of financial consulting services and is a licensed corporation permitted to carry out Type 4 (advising on securities) and Type 9 (asset management) regulated activities within the meaning of the SFO.

Glory Star is principally engaged in investment, design and development of apparel products and management services.

GENERAL

Dr. Charles Yeung and Mr. Yeung Chun Fan, who have a material interest in the Consulting Service Agreement, and Ms. Cheung Wai Yee, a Director and the spouse of Mr. Yeung Chun Fan, did not attend the Board meeting at which the Board resolutions in respect of the Consulting Service Agreement and the transactions contemplated thereunder were considered and passed nor vote on such Board resolutions. Ms. Yeung Yin Chi, Jennifer, a Director and a niece of Dr. Charles Yeung and Mr. Yeung Chun Fan, abstained from voting on the relevant resolutions at the Board meeting for approving the Consulting Service Agreement and the transactions contemplated thereunder. Save as disclosed above, none of the other Directors was

required to abstain from voting on the relevant Board resolutions according to the bye-laws of the Company or any applicable laws and regulations.

DEFINITIONS

In this announcement, the following expressions shall (unless the context otherwise requires) have the following meanings:

"2023 Consulting Service Agreement"	the service agreement dated 1 August 2023 and entered into between Smart Empire and Glory Star, details of which are set out in the Company's announcement dated 1 August 2023. The transactions contemplated under the service agreement were completed on 29 December 2023
"Board"	the board of Directors
"Company"	Glorious Sun Enterprises Limited 旭日企業有限公司, a company incorporated in Bermuda with limited liability, the shares of which are listed on the Main Board of the Stock Exchange
"connected person(s)", "percentage ratio(s)", "subsidiary(ies)" and "substantial shareholder"	each has the meaning ascribed to it under the Listing Rules
"Consulting Service Agreement"	the service agreement dated 12 August 2024 and entered into between Smart Empire and Glory Star
"Directors"	the directors of the Company
"Glory Star"	Glory Star Investments Limited 安星投資有限公司, a company incorporated in Hong Kong with limited liability
"Group"	the Company and its subsidiaries
"HK$"	Hong Kong dollar(s), the lawful currency of Hong Kong
"Hong Kong"	the Hong Kong Special Administrative Region of the People's Republic of China
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"SFO"	Securities and Futures Ordinance (Cap. 571 of the laws of Hong Kong)

"Smart Empire"	Smart Empire Asset Management Limited 明堡資產管理有限公司, a company incorporated in Hong Kong with limited liability
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"%"	per cent.

By order of the Board
Glorious Sun Enterprises Limited
Hui Chung Shing, Herman, GBS, MH, JP
Director

Hong Kong, 12 August 2024

As at the date of this announcement, the directors of the Company are as follows:

Executive Directors:
Dr. Charles Yeung, GBS, JP, Yeung Chun Fan, BBS, Hui Chung Shing, Herman, GBS, MH, JP, Ms. Cheung Wai Yee and Yeung Yin Chi, Jennifer, JP

Independent Non-executive Directors:
Lau Hon Chuen, Ambrose, GBS, JP, Dr. Chan Chung Bun, Bunny, GBM, GBS, JP, Ng Wing Ka, Jimmy, BBS, JP and Choi Tak Shing, Stanley, JP